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Docket 96-152

Sept. 13, 1996

Mr. William F. Caton
Acting Secretary
Federal Communication Commission
1919 M. Street, N.W.
Washington, D.C. 20036

Dear Mr. Caton,

Over the past number of years, I have been personally involved in seeking to protect the interest of my company, Security Systems, Inc. This has been done by our involvement with members of Congress to seek protection from the bell operating companies' taking a monopolistic approach to entering the alarm monitoring business. We felt that this had been accomplished with the provisions written into the 1996 Telecommunications Act.

Section 275 of that act was intended by our Senators and Representatives to provide a five (5) year hiatus in which Security Systems, Inc. and other companies could better position ourselves in the industry to cope with the traditional predatory approach taken by the telephone companies.

Security Systems, Inc. employs about 40 persons. If the telephone companies persist in their quest to manipulate their way into alarm monitoring, I and 40 other persons will be squeezed out of a livelihood.

Ameritech has already breached section 275 by it's purchase of Circuit City's alarm monitoring accounts. By the same token, US West somehow thinks that they too are immune from the provisions of 275 and have sought to interpret it their own way.

I have attached a copy of the Congressional colloquy that specifically spells out the intent of Congress. There cannot be a clearer interpretation of specifically excluding the bell operating companies (with one exception the "previously existing"

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accounts owned by Ameritech) from entering the alarm monitoring business for five (5) years.

My employees and I urge the FCC commissioners to take a moment to understand the meaning and intent of section 275 ('96 Telecommunication Act) and to develop rules that clearly and fairly represent the Congressional intent of their legislation.

Thank you for your interest in this matter.

Sincerely,

A handwritten signature in cursive script, reading "Ronald D. LaFontaine". The signature is written in black ink and is positioned above the printed name.

Ronald D. LaFontaine, CEO
Security Systems, Inc.

Making Things Clear:

The Senate Colloquy



Sen. Tom Harkin

Following are excerpts from the February 1 Senate floor colloquy that took place immediately prior to Senate passage of the Telecommunications Act. The colloquy underscores the intent of the legislation to prohibit for five years the purchase of alarm company accounts by an RBOC that is currently engaged in alarm monitoring.

Sen. *Tom Harkin* (D-Iowa): "There is one issue that deserves some additional clarification. The bill and the report language clearly prohibit any Bell company already in the industry from purchasing another alarm company for five years from date of enactment. However, it is not entirely clear whether such a Bell could circumvent the prohibition by purchasing the underlying customer accounts and assets of an alarm company, but not the company itself.

"It was my understanding that the conferees intended to prohibit for five years the acquisition of other alarm companies in any form, including the purchases of customer accounts and assets."

"I would ask both the chairman and ranking member whether my understanding is correct?"

Sen. *Larry Pressler* (R-S.D.), Chairman, Senate Commerce Committee: "Yes, the understanding of the Senator is correct." The language in the bill designed to prevent further acquisitions by a Bell engaged in alarm monitoring services as of November 30, 1995, is intended to include a prohibition on the acquisition of the underlying customer accounts and assets by a Bell during the five-year waiting period.

"This would not prohibit, as is stated in the bill, the so-called swap of accounts on a comparable basis, whereby a Bell which was engaged in alarm monitoring as of November 30, 1995, would be allowed to swap, or exchange, existing customer accounts for a similar number and value of customer accounts with a non-Bell alarm company."

Sen. *Ernest Hollings* (D-S.C.), Ranking Minority Member, Senate Commerce Committee: "I would agree with the explanation given by the chairman and am pleased to have this opportunity to further clarify our intent in the alarm industry provisions."